



March 8, 2010

Ms. Mary Rupp
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

Re: Proposed Regulation 12 CFR Part 704

Dear Ms. Rupp:

We are writing today in response to NCUA's proposed changes to Part 704 on Corporate Credit Unions. While it is obvious that there needs to be changes in the current structure of Corporate Credit Unions, we believe that focus also needs to be placed on the impact the proposed changes will have on natural person credit unions and importantly the members we serve.

Like most natural person credit unions, we rely on our Corporate for all of our processing. This includes payment processing, liquidity needs and borrowings. Payment processing/settlement are by far the most complex of services and would be difficult and costly to change. If these proposed changes are enacted, we feel it will force natural person credit unions to change its processing needs to other vendors.

We do appreciate the time and effort that was invested into the proposed changes; however, there are some areas within the regulation that, if adopted, will cause havoc within the entire industry which includes natural person credit unions.

Legacy Assets

This area needs to be addressed. It is not mentioned about the isolation of legacy assets. Isolation of legacy assets is necessary in order to allow for Corporates to recapitalize.

Indemnification

This is an area that needs to be reviewed again. It will be extremely difficult to attract, and more importantly, maintain Board Members if this area is not revisited. The future success of Corporate Credit Unions will rely on having the most qualified individuals at the board level.

Capital Requirement

This is the most unrealistic portion of the proposed changes. The proposed restriction is going to prohibit Corporates in generating any type of margin spread. By not having that spread, the Corporates will be unable to provide competitively priced services to its member credit unions. This will ultimately harm the consumer. Natural person credit unions will have to seek services from other providers. Expenses for natural person credit unions will rise, dividend rates will be reduced, service fees will rise and higher loan rates.

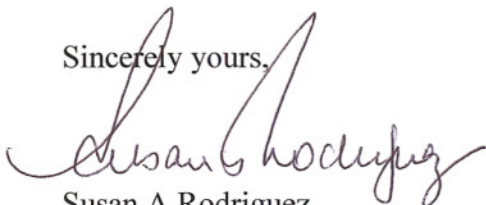
Capital Replenishment

The issue of taking assets being classified as Other Than Temporarily Impaired seems to have the most negative impact to Corporates as well as natural person credit unions. Generally Accepted Accounting Principles does not require the depletion of capital based on estimated losses. Considering that this issue is probably why most natural person credit unions have negative ROA for 2009, and since the recovery of the Corporates have been placed on the backs of natural person credit unions, we think that we are owed for this area to be reviewed. It seems unreasonable not to allow any possible recoveries to natural person credit unions.

We support the need for change in the Corporate Credit Union structure. Corporate Credit Unions play a vital role in our industry. We believe that the focus should be placed on improving the system without comprising the benefits to natural person credit unions.

Again, we appreciate the time and effort put forth into the proposed changes and the goal should be is to emerge from this with a strong corporate system that will be here for many years to come.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Susan A. Rodriguez", written in a cursive style.

Susan A Rodriguez
CEO